IN THE HIGH COURT OF BOMBAY AT GOA, PANAJI

COMPANY PETITION NO. 15-G OF 2002

GOLDEN GOA RESORTS LTD. ... Petitioner.

versus

GOAN REAL ESTATE & CONSTRUCTION LTD. ... Respondent.

Mr. M. B. Da Costa, Advocate for the Petitioner.

Mr. V. P. Thali, Central Government Standing Counsel for Union of India.

CORAM: P. V. HARDAS, J.

DATED: 5TH JULY, 2002.

ORAL JUDGMENT

This is a Petition filed by the Transferor Company to obtain sanction of this Court to the arrangement embodied in the Scheme of Amalgamation of the Petitioner Company with the Transferee Company. The Scheme of Amalgamation is at Exh.'E' to the Petition. Same notice of final hearing of this Petition was advertised in the newspaper.

2. Mr. V. P. Thali, the learned Central Government Standing Counsel for Union of India has placed on record a communication dated 2nd July, 2002 from the Regional Director. In the said communication, it has been stated that there was no specific object clause of Amalgamation so far as the Transferor Company was concerned.

3. Mr. M. B. Da Costa, the learned Counsel appearing for the Petitioner-Company has invited my attention to a Judgment of the learned Single Judge of this Court in **Amco Presticides Ltd.** (2001) Company Cases 463 which the learned Single Judge has held thus:-

> "That apart from the fact that it could not be said that the memorandum of association of the petitioner-company did not provide for the company to arrive at an arrangement with another company, the company had a statutory power to arrive at such arrangement which the court was required to sanction. In Chapter V of the Companies Act, 1956, power is given to the Company to apply for arrangement, compromise or amalgamation and power is vested in the court to sanction amalgamation. The objection was liable to be overruled".

4. The learned Official Liquidator is present in person. He has filed his report and states that there is no objection for proving the Scheme of Amalgamation.

5. I have heard Mr. M. B. Da Costa, the learned Counsel appearing for the Petitioner, Mr. V. P. Thali, the learned Central Government Standing Counsel appearing for Union of India and the Official Liquidator. I have perused the Petition and the Scheme. It appears that sanctioning of the Scheme will be for the benefit of the Petitioner-Company and its members and it will also enable the Transferor Company to carry on their business

activities efficiently and work profitably. It will not prejudiciously affect the rights of the members and creditors of both the Transferor Company and the Transferee Company.

6. In view of the above, the Petition is allowed and Rule is made absolute in terms of prayer clauses (a) to (h).

7. Costs of Rs.2000/- each be paid to the Regional Director and to the Official Liquidator by the Petitioner within four weeks from today.

P. V. HARDAS, J.